



## *Introduction*

### *The Quest for Certainties*

“Transition” from planned to market economy or “transformation” of planned into market economies is the subject most written about in social and economic sciences since the fall of the Berlin Wall. Most writings departed from a clear-cut opposition of “plan” to “market” or from the assumption of a simple linear evolution of the first into the latter. Underlying these writings was the idea of a binary opposition and a clearcut difference between societies with functioning market economies in the West and societies aspiring to market economies in the East.

The lecture series in the autumn and winter of 1994/95 at the Centre Marc Bloch brought to Berlin social researchers from Eastern and Western Europe who were questioning precisely these opposites. They had all done longterm qualitative research in factories and among entrepreneurs and managers in Eastern and Western Europe. Their research challenges the view en vogue since 1989 of market economy as a coherent attainable aim that follows clearly defined predictable laws. They criticize existing theories that failed to study the changes in Eastern Europe as a political process with an economic dimension that had its own sui generis dynamics (for example Burawoy). The papers show that labour relations in the market economies of East and West

undergo similar developments. The papers on labour relations in the West analyse in a historical perspective the profound changes by which these relations were affected in the last thirty years. These are shown to have been inextricably linked to politics (for example Beynon, Pialoux). The papers giving a detailed account of relations on the shopfloor in Eastern Europe point to the continuities in mechanisms of social interaction in the face of a radical change in the economic framework (for example Clémens, Müller) and to the growth of existential uncertainties.

Some of the papers discussing the impact of Western management consultancy and expertise in Eastern Europe analyse the Western market economic models as an ideology or even religion linked to the exercise of power and control (for example Kostera, Müller). Others look at the mechanisms of assimilation and resistance to these models (for example Zaleska). Others analyse how political positions, networks and cultural patterns from the past influence the economic and social positions of managers and entrepreneurs of the new private enterprises in Eastern Europe (for example Chmatko, Sampson). This view is complemented by Ray Pahl's paper demystifying the idealized image of happy progressive managers in the West.

Michael Burawoy's papers draws theoretical conclusions from the extensive fieldwork he undertook recently together with Pavel Krotov in the timber and mining industry in Russia and from the research he has undertaken since long before 1989 in various factories in Hungary. He analyses the transition processes in Eastern Europe and especially in Russia as "industrial involution" as an antithesis to evolution and development. His point is that the rapid introduction of market mechanisms drained ressources from the productive industry to transform them into merchant capital which is hardly reinvested. The big "privatized" Russian industry survives on an extremely low level of productivity and capitalisation only thanks to continuing links with the state. Attempts of the state to tighten budget constraints on

industry leads to a move of growing sectors of the economy into the shadow and to increasing regionalisation.

Based on extensive interviews with small and large entrepreneurs in Russia Natacha Chmatko's paper distinguishes between those new entrepreneurs who had an important economic position in the past and those who were dominated in the past and who now try to make a fortune in the new system. The first mostly control large enterprises and openly emphasize their economic activities, often combining a public position with a private entrepreneurial activity. The latter owning mostly small businesses don't make their activities public, hiding them from tax obligations and state control. Operating in an isolated way they do not profit from joint business activities and from government programmes. To their different ways of operating their businesses correspond different consumption patterns and ways of socialising. Economic capital, Chmatko shows is strongly linked to the possession of social and cultural capital.

The same distinction between state bureaucrats becoming entrepreneurs- he calls them "parachutists" - and those who can not draw on positions in the former system - he calls them "freelancers" - is made by Steven Sampson. In his research in Romania he saw these two groups of *nouveaux riches* in competition not only for economic success but also for "the right to be rich", justified by "good taste". Sampson claims the rich search the company of those who have culture, so that the "magic dust" of culture would rub off on them. Especially the "parachutists" talk about converting money into culture by starting a foundation, restoring old buildings and the like. Owners of economic capital, Sampson demonstrates, try to distinguish themselves from the non-owners by acquiring cultural capital.

"Shadowing" British managers Ray Pahl found out a change in attitude toward work since the 1960s. While managers in the 1960s appeared to have internalized an ideology of self-coercion, in the 1970s there were growing reservations to total commitment among British

managers. Success appeared to be short lived and uncertain. While management textbooks suggested that failure to succeed was self-made, managers started to internalize this view and to show signs of fatalism, alienation and anomie.

An optimistic reading of Western managers offers Krystyna Joanna Zaleskas paper. She maintains that American managers introduce an optimistic and trusting view of human nature into the old Polish system. She opposes American management behaviour to the Polish one. Polish managers, she says, need formal rules and guidelines and emphasize the dignity of their position of authority. From the old days they are used to look for problems and to think in a negative pessimistic way. American corporate culture, on the contrary, creates a sense of obligation while emphasizing informality. It meshes the need for results with the concern for the individual thereby creating strong psychological links with the firm and with the working team.

This view is opposed by Monika Kostera. In her ironical essay she makes the uncritical acceptance of the Western ideology of economic rationality responsible for the loss of values and meaning in contemporary Polish society. In a biting critique of Western economic consultancy agencies she draws parallels between their teachings and the discourses of Christian missions supporting Western colonization throughout the world. The communication between East and West, Kostera claims, is not a “conversation” but a “sermon” delivered by the Westerners who claim that “salvation will be possible” through hard work, free market and economizing. In the face of a growing loss of meaning and certainties, the consultants - she calls them “missionaries of management” - promote rational economic organisations as offering their participants rewards also of an existential and perhaps spiritual nature.

The confrontation and coexistence of the economic rationality of market economy with the worldviews and practices of the planned economy inside a Moscow joint venture is the research Birgit Müller

undertook together with her Russian colleagues Elena Mechtcherkina, Kirill Levinson and Andrej Onikienko and her French colleague Isabelle Cribier. At the time of the research in 1993 the Russian workers and employees of the joint venture were still unaware of mechanisms of profit accumulation in the enterprise. For them an increase in individual productivity meant to have the right to a proportional increase in pay. The enterprise was seen as a “pot for all” that should care and provide for all its members. The authors analyse the strategy of the international combine to accompany the introduction of market economic structures by an intensive effort at convincing the workforce and especially the management of the principles of performance and profit and they describe in detail the mechanisms of resistance to and reinterpretation of the message the Westerners wish to convey.

A pessimistic account of the loss of meaning and cultural identity gives Huy Beynon describing the process of decay of the British mining industry. As a nationalized industry the mines were an important stronghold of the labour movement and the miner represented the image of the powerful heroic worker for the British Left. The collaboration of management and syndicates of the mine industry in the 1960 together with an evocative productivist language remind the discourses and practices of the planned economy. Because of its left wing political tradition and the low level of productivity the conservative political forces came to see the mining industry as “the internal enemy of the state”. With the unsuccessful strikes against the Thatcherite politics of privatization that ultimately brought the end of the British mining industry the British Left not only lost an economically motivated struggle but also part of a political and cultural identity.

Work as meaning of life, is the topic of Petra Clemens paper about a cloth industry in an East German mining district. She presents two labour biographies of women who linked their lives closely to the work in the factory. The workplace is presented as a place of dense social interaction where the women find support and recognition and

where they found a security which is now endangered by the introduction of market economy.

Loss of securities, the feeling of vulnerability and the fear to fail are the feelings that move the workers of the modernized workshops of the Peugeot factory that Michel Pialoux presents in his paper. Pialoux analyses the failed attempt by management to introduce a Japanese model of work organization into modernized workshops with high technology and to promote a new culture of work. The attempts fail because the workers refuse to be separated from their established workteams and to adapt to a new code of behaviour. However, the fear of an uncertain future remains and the workers oscillate between two temptations: to play the game of the enterprise and to accept the new competitive individualized identity or to fall back on the old models of workers resistance and to turn back to the tradeunion delegates who have lost much of their symbolique authority since the 1980s.

In the papers presented here not much is to be felt of the optimism that the political changes of 1989 arose in East and West. The changes in Eastern Europe that should bring about a new era of wealth and prosperity recall on the shopfloor the industrial decline in the West. The problems encountered by managers and workers in Eastern Europe are not the problems of transition but the problems of liberal market economy itself. It is the strength of the social anthropological approach to be able to question the idea of unilinear economic and social progress by resituating the economic in its cultural and social context.

Birgit Müller